

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Henderson Hill Timber Sale is located within Sections 19 & 30, T19N-R29W on the State's Missoula Unit. Approximately 17,310 tons, consisting primarily of Douglas-fir sawlogs, are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **January 10, 2018 at 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. **DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.** Bids must be accompanied by a deposit of **\$13,233.00**, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the first sale invoice for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. **Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their December 18, 2017 meeting.** If the successful bidder is unable to execute the contract within **30** calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300).

Visit our website at <http://dnrc.mt.gov/divisions/trust/forest-management/timber-sale-information> for upcoming sales and bid results.

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Henderson Hill			
Timber Sale Location: Sections 19 & 30 T19NR29W			
For specific sale information, contact: Bill Burdick			
Phone	406-542-4319	Unit Office: Missoula	
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-542-4262	Southwestern	Land Office, Missoula

General Bidding Information

1. Bids must be submitted on standard Department of Natural Resources & Conservation (Dept) bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids.
3. The Dept recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (542-4300) prior to the bid opening to ensure that your bid has been received.
4. A **Bid Guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **Performance Bond** to the Dept within a maximum of 30 days of notification of sale award. The bond amount will be, at a minimum, 20% of the total bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract. See the Timber Sale Contract for additional information.
6. The purchaser must submit an **Advance Stumpage Payment** prior to cutting any timber. The amount of the advance stumpage payment will be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. At rates specified in the Contract, the purchaser will pay **Forest Improvement Fees** on all sawlog volume. All applicable **Road Use and/or Maintenance fees** will also be paid by the Purchaser in addition to stumpage payments.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price are on a per ton basis. Unless specified, the price applies to all species, green and dead. Price may vary by product. Billing will be based on gross weight. A weight ticket from a certified scale is required for each load hauled, regardless of product type.
9. The Dept has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. Other products may be part of this sale. All delivered wood will be weighed and billed at per ton bid rates. The Dept recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. The Dept strongly recommends that bidders evaluate these effects before bidding.
10. The Dept does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not the true market value. The Dept strongly recommends that bidders make their own estimates based on contract requirements. Cost estimates provided are not guaranteed.
11. Bidders are encouraged to examine the complete Timber Sale Package and Sale Area prior to bidding. Additional information is available at the phone numbers shown above.
12. Estimates for sale volume, species percents, defect, product class, etc. provided in this prospectus and volume estimates listed in the sale contract are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

Additional Sale Information:

1. **No Class 1 or Class 2 SMZ harvest:** NO trees will be harvested in Class 1 and 2 SMZs.
2. **NONSAWLOG AND BIOMASS REMOVAL:** The Purchaser has the option of removing non-sawlog material at the rate of \$1.00/ton
3. **FIREWOOD:** Firewood material that does not meet sawlog specifications will be offered as optional at \$120/load.
4. **SKYLINE YARDING:** Approximately 54% of the sale volume will require skyline cable yarding. A skyline yarding system capable of yarding 1,500 feet external yarding distance uphill must be used. A carriage capable of 50 feet minimum lateral yarding distance is required. The carriage must maintain a fixed position on the skyline while lateral yarding. Refer to skyline yarding expectations/requirements in the contract for details.
5. **STEEP SLOPE YARDING:** Prepare for steep tractor ground throughout portions of Section 19. The Forest Officer will be open to alternative harvest systems and road/jump spur layouts to maximize harvest potential of the units in this area. Yarding plans may include, but are not limited to, directional hand felling and winchline skidding, designated go-back trails, compacted snow trails, or skyline yarding and Excaline yarding.
6. **DELETION OF AREAS WITH BLIND LEADS:** Within skyline yarding area, blind leads identified by the Purchaser and approved by the Forest Officer may be deleted from the harvest unit.
7. **TAIL TREES/TAIL HOLDS LOCATED IN SMZ'S:** If trees within the SMZ are used as tail trees/tail holds and they are pulled over they are to be left. If it is discovered that undesignated or reserve trees within the SMZ are cut and/or removed because of Purchaser's operations it shall be considered cut in trespass and the Purchaser may be charged three times the highest Contract stumpage rate (minimum \$10.00/ton) for the Contract product class(es) the tree contains. In addition, if the Forest Officer determines that a suitable replacement for a reserve tree as described above is not available, Purchaser agrees to pay the State \$500.00 per tree, in addition to the rates charged in Section IV.G.4.a. UNDESIGNATED TREES.
8. **RESERVE SNAGS:** In all units no undesignated snags shall be cut, unless they pose a safety hazard or approved by the Forest Officer.
9. **It is highly recommended that the Sample Contract including Attachment B be reviewed prior to bidding.**
10. **The Purchaser will be required to spray for weeds in June after harvest completion. Refer to Section VI. Road Maintenance H. #5 of Attachment B.**
11. **There will be a Forest Service Timber Permit associated with the new road construction on Forest Service land. The road Right-of-Way volume associated with this is approximately 66 mbf (420 tons). This volume must be harvested and hauled within one year of the timber sale contract award.**

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Henderson Hill

Timber Sale Cruise Data

SPECIES	PP	DF	WL	LP	ES	WF	CE	WP	Forest Service ROW PP/DF	TOTAL or AVE
Minimum Bid										\$15.29 per ton
Pounds per cubic foot	62	62	58	56		57		60.0		
Estimated tons of sawlogs (5.6" top DIB)	2,430	10,553	288	3,293		285		41	420	17,310 tons
Estimated tons of other material (pulp, etc)	0	0	0	0		0		0		0 tons
Gross MBF (Scribner 5.6" top DIB)	488	1,904	62	67		184		59	65	2,829 MBF
% Cull and Breakage	17	15	15	9		20		45		20.2%
Net MBF (Scribner 5.6" top DIB)	407	1,627	52	485		45		7	65	2,688 MBF
Average logs per MBF	17.1	20	16.1	29.7		34.4		23.3		23.4 logs/M
Average DBH	14.7	13.1	13.8	9.8		12.4		16		13.3 in.
Average tons per acre harvested in leave-tree marked units	→									59 tons/ac
Average tons per acre harvested in cut-tree-marked units	→									0 tons/ac
Average MBF to cut per acre on the timber sale	→									9.2 MBF/ac
Range of cut trees per acre based on unit cruise	→									226
Calculated Sampling Error: Total cruised volume will fall between	2,249 and 2,999 Net MBF in 9 out of 10 cruises									14.3%
Tons Per Thousand Board Feet										
Contract Value - Estimated tons hauled per thousand Scribner board feet	17,310 estimated tons to a 5.6 inch top / 2,688 Net MBF Scribner to a 5.6 inch top DIB									6.44 tons/MBF

Contract Information

Contract ending date	7/15/2021	
Operating Season:	All season weather and road conditions permitting	

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Logging Information	
% of volume logged by clearcut or seed tree cut	20%
% of volume logged with excaline	11%
% of volume logged by tractor	35%
% of volume logged by skyline	54%
Yarding distance tractor (average)	350 ft.
Yarding distance excaline (average)	300 ft.
Yarding distance skyline (average)	1000 ft.
Estimated haul distance (paved)	15.0 miles
Estimated haul distance (unpaved)	5.3 miles

Purchaser fees and estimated costs	
Forest Improvement fee perMBF	\$20.60/MBF
Forest Improvement fee per ton	\$3.20/ton
Forest Improvement fee estimated total	\$55,392.00
Forest Improvement fee quarterly installment	\$9,232.00
Estimated Purchaser-do FI total \$	\$2,978
Estimated Purchaser-do FI per ton	\$0.17/ton
Estimated Purchaser-do slash disposal work total	\$0.00
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton
Bid Guarantee (total \$)	\$13,233.00
Performance Bond (total \$)	20% of bid value

Road development and maintenance fees and estimates	
Estimated road development cost total	\$34,758
Estimated road development cost per ton	\$2.01/ton
Estimated road development cost perMBF	\$12.93/MBF
Estimated Purchaser-do road maintenance cost total	\$31,867
Estimated Purchaser-do road maintenance cost per ton	\$1.84/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	1.6 miles
Miles of road reconstruction	0.0 miles
Miles of road with site improvements	2.0 miles
Miles of road reclamation or abandonment	0.0 miles
Miles of road maintenance and blading	5.89 miles

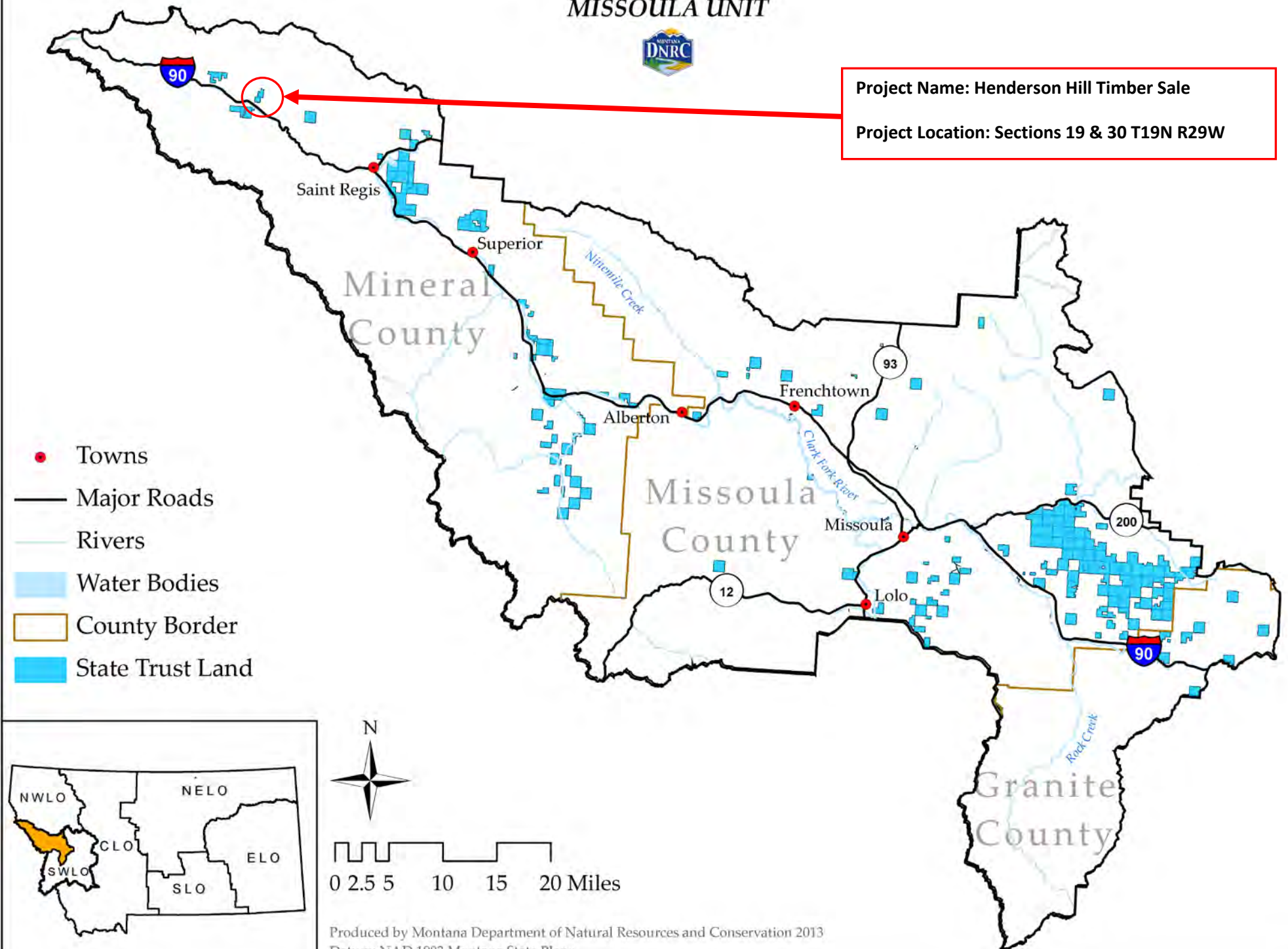
Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest date
1	67	2,590	403	November 15, 2019
2	69	3,145	488	November 15, 2019
3	107	8,290	1,287	October 15, 2020
4	13	1,172	182	October 15, 2020
5	36	1,693	263	November 15, 2019
*FS/RW	2	420	65	1 year from contract award
	294 Ac.	17,310	2,688 MBF	

HENDERSON HILL VICINITY – Attachment A - 1

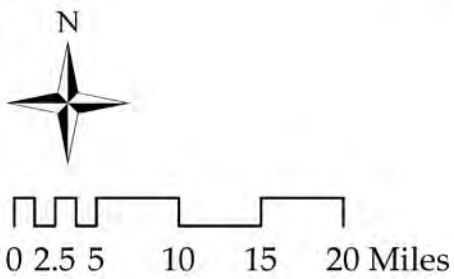
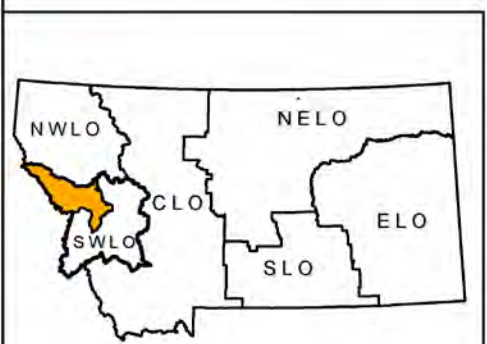
MISSOULA UNIT



Project Name: Henderson Hill Timber Sale
Project Location: Sections 19 & 30 T19N R29W

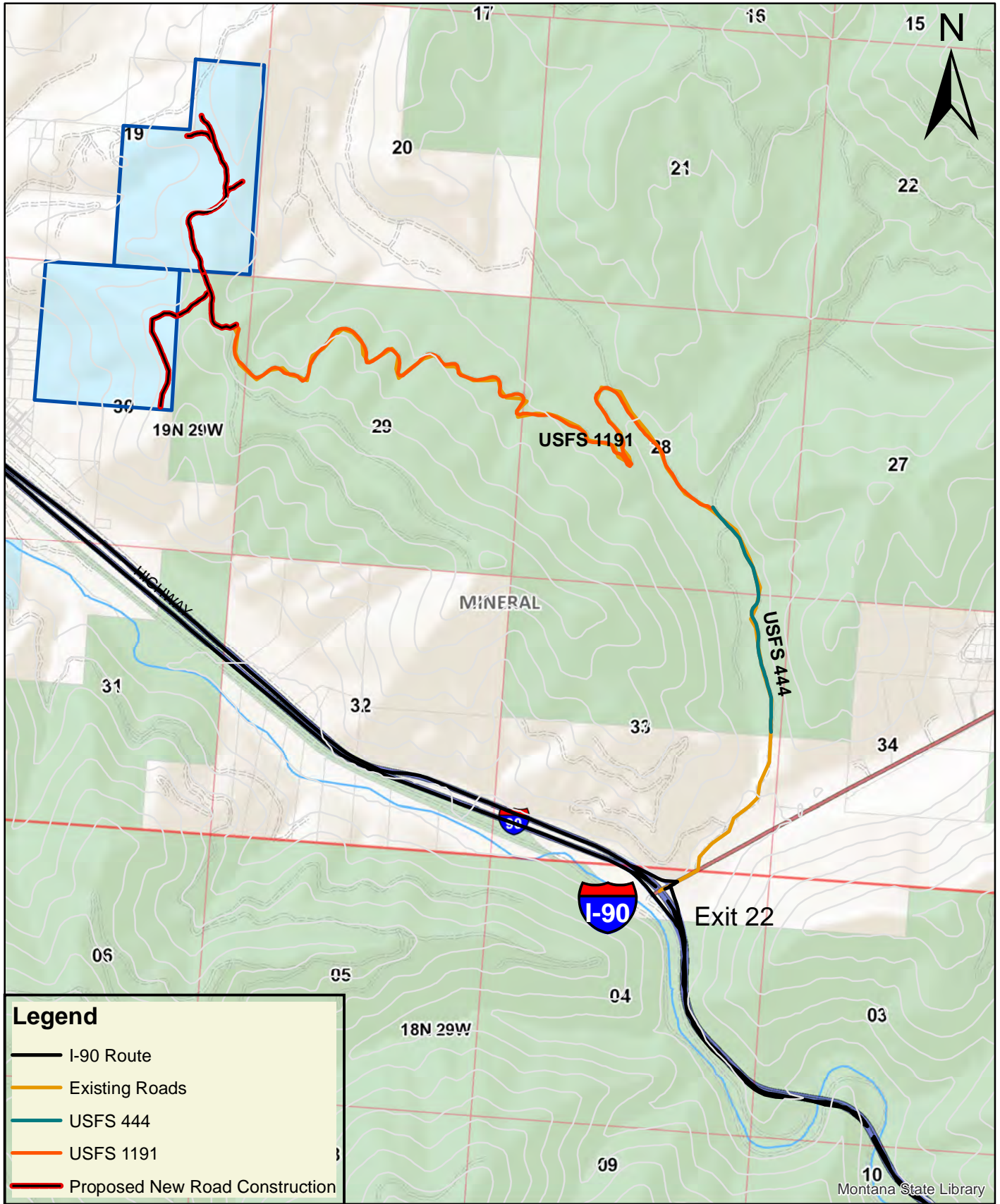


- Towns
- Major Roads
- Rivers
- Water Bodies
- County Border
- State Trust Land



Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane

Henderson Hill Haul Route Sections 19 & 30 T19N R29W



0 0.5 1 2 Miles



Henderson Hill Timber Sale Harvest Units Sections 19 & 30 T19N R29W Attachment A-3

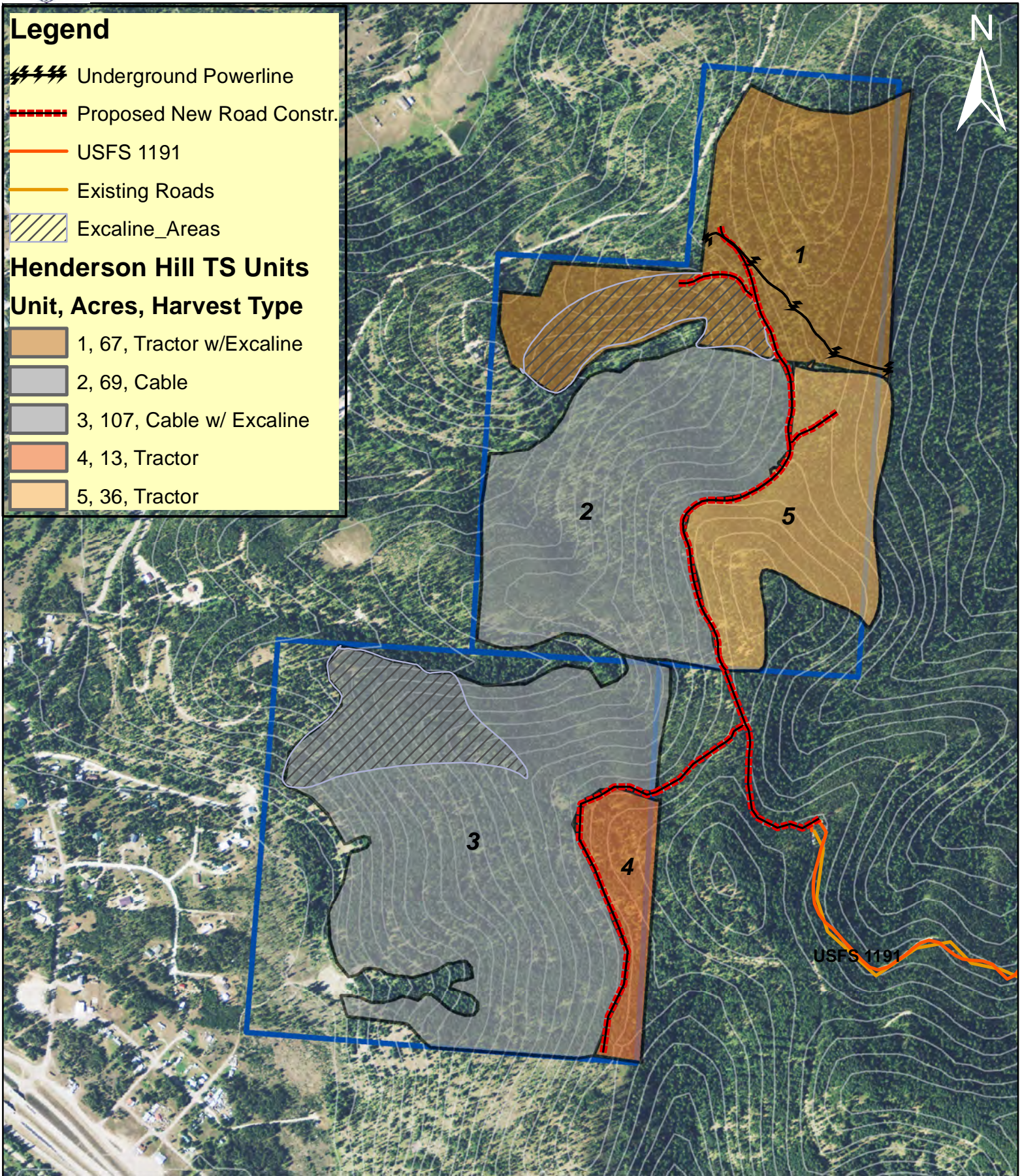
Legend

- Underground Powerline
- Proposed New Road Constr.
- USFS 1191
- Existing Roads
- Excaline_Areas

Henderson Hill TS Units

Unit, Acres, Harvest Type

- 1, 67, Tractor w/Excaline
- 2, 69, Cable
- 3, 107, Cable w/ Excaline
- 4, 13, Tractor
- 5, 36, Tractor



0 0.175 0.35 0.7 Miles